

IN THE UNITED STATES DISTRICT COURT FOR THE  
WESTERN DISTRICT OF MICHIGAN

UNITED STATES OF AMERICA,	)	
	)	Case No. 14-cv-01205
Plaintiff,	)	
	)	Judge Paul Maloney
v.	)	
	)	
TAMMY M. CHURCH,	)	
R&R UTILITIES LLC,	)	
STATE OF MICHIGAN, DEPARTMENT	)	
OF TREASURY,	)	
ANTRIM COUNTY,	)	
MORTGAGE ELECTRONIC	)	
REGISTRATION SYSTEMS, INC.,	)	
INVESTAID CORPORATION,	)	
OLD REPUBLIC NATIONAL TITLE	)	
INSURANCE COMPANY, and	)	
MICHIGAN HOMEOWNER ASSISTANCE	)	
NONPROFIT HOUSING CORPORATION	)	
	)	
Defendants.	)	
_____	)	

**AGREED FINAL JUDGMENT**

The plaintiff, the United States of America, and the defendants Tammy M. Church, R&R Utilities, Old Republic National Title Insurance Company (“Old Republic”), and Michigan Homeowner Assistance Nonprofit Housing Corporation (“MHA”), by undersigned counsel, agree to the entry of a final judgment as follows:

1. Tammy M. Church is liable for federal income taxes, penalties, and interest for the years 1999-2006, as more fully described in appendix A hereto, in the total amount of \$916,394.26, as of November 20, 2014, plus statutory additions from and after that date until fully paid.
2. By Warranty Deed dated March 11, 2004, and recorded on March 30, 2004, with the Antrim County Register of Deeds, Tammy M. Church acquired title to and ownership of the real

property located at 10329 SW Torch Lake Drive, Rapid City, MI 49676 (the “Subject Property”), which is located within the jurisdiction of this Court and is legally described as follows:

Lot 19, WOODRIDGE, according to the recorded plat thereof as recorded at Liber 2 of Plats, page 32, Antrim County Records.

APN # 05-12-815-015-00

3. Tammy M. Church owns a 100% undivided interest in the Subject Property.
4. The United States has valid and enforceable federal tax liens against Tammy M. Church’s interest in the Subject Property for the tax liabilities described in ¶ 1.
5. Subject to the conditions in the following paragraphs, the United States, Tammy M. Church, MHA, and Old Republic agree that the property shall be sold in the normal course. The property shall be sold via a private sale and listed with a real estate agent approved by the United States.
6. Any sale pursuant to ¶ 5 shall be subject to the approval of the United States.
7. The judgment referred to in ¶ 1 shall be marked satisfied upon the distribution of the proceeds of sale described in subpart THIRD of ¶ 11 below.
8. This agreement is subject to the following conditions:
  - a. Tammy M. Church shall make reasonable efforts to keep the property in sale-ready condition and cooperate with the real estate agent listing the house.
  - b. Tammy M. Church must pay out of the sale proceeds all property taxes due and owing during the pendency of the sale;
  - c. Tammy M. Church must not commit waste against the Subject Property;
  - d. Tammy M. Church shall reasonably cooperate with the United States in maximizing the sale price of the Subject Property.

- e. When a purchase agreement is approved by the United States, all parties having liens will cooperate with the closing agent to effectuate a release of their liens so that clear title can be given to the purchaser.

9. In the event that a sale is not agreed to by the United States pursuant to ¶ 5, the United States shall retain all rights under the law to collect the debts of Tammy M. Church, including a judicial sale that will not mark the judgment in ¶ 1 satisfied.

10. The sale of the Property shall be free and clear of all rights, titles, claims, and interest of all parties to this action, any successors in interest or transferees of those parties.

11. The proceeds of the sale of the Subject Property pursuant to ¶ 5 shall be distributed first to pay the costs of the sale. The remaining proceeds shall be distributed in the following order:

FIRST, to Tammy M. Church, as a fee for caring for the property during the pendency of the sale, in an amount not to exceed 0.5% of the proceeds or \$2,500.00, whichever is lower.

SECOND, to counsel for Tammy M. Church, in an amount not to exceed \$3,000.00.

THIRD, to the United States for application toward Tammy M. Church's federal income tax liability in paragraph 1.

FOURTH, to Old Republic for application toward Tammy M. Church's mortgage debt, current balance being \$300,000.00.

FIFTH, to MHA for application toward Tammy M. Church's mortgage debt.

12. Other than as provided for in this agreement, all parties shall bear their own costs, including any attorneys' fees.

13. The closing documents must reflect the payment to Tammy M. Church as a caretaker fee and the payment to her attorney as attorney fees.

AGREED:

OLD REPUBLIC NATIONAL TITLE  
INSURANCE COMPANY

/s/ Kurt Riedel

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TAMMY CHURCH  
R&R UTILITIES

/s/ Thomas J. Gezon

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UNITED STATES OF AMERICA

/s/ Robert J. Wille, Jr.

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MICHIGAN HOMEOWNER ASSISTANCE  
NONPROFIT HOUSING CORPORATION

/s/ Erik Alwyn Graney

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IT IS SO ORDERED, ADJUDGED, AND DECREED.

Dated: April 8, 2016

/s/ Paul L. Maloney  
PAUL L. MALONEY  
UNITED STATES DISTRICT JUDGE

**Appendix A****Income Tax Liabilities**

<b>Period Ending</b>	<b>Balance Due as of 11/20/2014</b>
12/31/2001 (Form 1040)	\$7,825.14
12/31/2002 (Form 1040)	\$1,236.60
12/31/2004 (Form 1040)	\$8,182.70
12/31/2005 (Form 1040)	\$63,710.12

**Form 940 and 941 Liabilities**

<b>Period Ending</b>	<b>Balance Due as of 11/20/2014</b>
6/30/2004 (Form 941)	\$36,607.93
09/30/2004 (Form 941)	\$51,706.35
12/31/2004 (Form 941)	\$61,091.12
03/31/2005 (Form 941)	\$41,435.26
06/30/2005 (Form 941)	\$30,832.17
09/30/2005 (Form 941)	\$5,758.65
12/31/2005 (Form 941)	\$22,054.94
03/31/2006 (Form 941)	\$25,430.00
06/30/2006 (Form 941)	\$23,053.47
09/30/2006 (Form 941)	\$15,293.89
12/31/2006 (Form 941)	\$15,176.68
12/31/2005 (Form 940)	\$1,208.80
12/31/2006 (Form 940)	\$855.00

**Trust Fund Recovery Penalties**

<b>Period Ending</b>	<b>Balance Due as of 11/20/2014</b>
09/30/1999 (TFRP)	\$107,369.46
12/31/1999 (TFRP)	\$72,816.26
06/30/2000 (TFRP)	\$98,693.88
09/30/2000 (TFRP)	\$123,705.53
12/31/2000 (TFRP)	\$69,906.81
12/31/2003 (TFRP)	\$32,443.50